REMARKS

I.   Introduction

Claims 1-62 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Gordon U.S. Patent No. 2,271,508 (hereinafter "Gordon") in view of Mindes U.S. Patent No. 5,573,244 (hereinafter "Mindes"). In order to advance prosecution, applicants have canceled system claims 32-62 and will only present arguments as to the allowability of method claims 1-31.

II.   Applicants' Reply to the
       35 U.S.C. § 103(a) Rejections

Applicants' independent claim 1 is generally directed toward a method for providing the projected effects of wagering on parimutuel pools to a user in an interactive wagering system. A user input is received that proposes a wager that is associated with at least one parimutuel pool. Based on the user input, information that affects the user's potential winnings is obtained, and the projected effect the user's proposed wager would have on the parimutuel pool is provided to the user.

Similarly, independent claim 17 is generally directed toward a method for providing projected effects of wagering on odds associated with a proposed wager. A user input is received to create a proposed wager that is associated with at least one

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parimutuel pool. Parimutuel pool information and current odds for the proposed wager are both obtained. What effect the proposed wager would have on the current odds is determined, and the projected odds are provided to the user.

The Examiner in the final Office Action contends that Gordon teaches a method for providing the projected effects of wagering on parimutuel pools, including all of applicants' claimed features identified above. The Examiner admits, however, that "Gordon does not teach providing the information from the parimutuel pool over a communications link." (Office Action, p. 3). The Examiner then opines that Mindes teaches obtaining this information over a communications link.

Regardless of whether Mindes shows obtaining parimutuel pool information over a communication link, applicants respectfully disagree with the Examiner's characterization of Gordon.

Gordon refers to an electrical circuit that calculates odds and wager totals for horses based on wagers that have been inputted into the circuit. Gordon's circuit calculates odds and wager totals based on the "dollars bet at each of the stations." (See Gordon, col. 3, line 72). In fact, Gordon only refers to inputted wagers as the amount "bet" or "placed" on a horse. (See, e.g., Gordon, col. 3, lines 8-9; col. 3, lines 58-59; and

col. 4, lines 57-58). Nowhere in Gordon is it stated or even suggested that Gordon provides <u>projected effects</u> of wagering on parimutuel pools.

In response to applicants' previous arguments that Gordon does not show proposed wagers, the Examiner in the May 24, 2005 final Office Action stated:

> the bets discussed by Gordon are <u>assumed</u> to be proposed bets. Unless Applicant can show that Gordon's device will only work after the player has finalized the bet by .transferring the money to the bookmaker, Examiner must assume that at [the] very least Gordon's device has the <u>inherent ability</u> to process proposed bets.

(May 24, 2005 Final Office Action, p. 6, emphasis added). Applicants submit that the Examiner's assumption that the bets in Gordon are proposed bets is improper as a matter of law. Applicants believe that the Examiner admits that Gordon does not directly teach receiving a user input that proposes a wager or providing the projected effects of wagering to users. Accordingly, the Examiner must be asserting that Gordon inherently teaches these claimed features.

"[When] relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic <u>necessarily</u> flows from the teachings of

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the applied prior art." Ex parte Levy, 17 USPQ2d 1461, 1464 (Bd. Pat. App. & Inter. 1990, emphasis in original). The Examiner here, however, did not provide any basis or reasoning as to why Gordon necessarily processes proposed bets. Instead, the Examiner placed the burden on applicants to show that Gordon's device "will only work" with actual bets. Applicants, however, have no such burden.

As set forth above, it is the Examiner who has the burden to show the opposite--namely, that Gordon necessarily processes proposed wagers. "Inherency ... may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient." Continental Can Co. USA v. Monsanto Co., 948 F.2d 1264, 1268 (Fed. Cir. 1991).
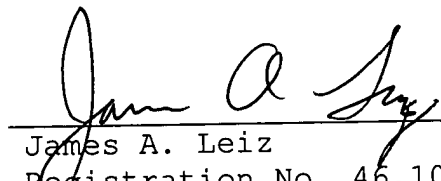
Since Gordon only teaches inputting and processing actual wager amounts (i.e., the amount "bet" or "placed" on a horse (See e.g., Gordon, col. 3, lines 8-9; col. 3, lines 58-59; and col. 4, lines 57-58)), applicants submit that Gordon does not necessarily process proposed wagers. Nowhere in Gordon is it stated or even suggested that Gordon teaches inputting a proposed wager or providing projected effects of wagering on parimutuel pools as specified in independent claims 1 and 17.

Accordingly, the Examiner's contention that the "Gordon's device has the <u>inherent ability</u> to process proposed bets" is insufficient as a matter of law to support this rejection under 35 U.S.C. § 103(a).

III.   Conclusion

For at least the foregoing reason, applicants submit that independent claims 1 and 17 are allowable over the prior art of record. Applicants further submit that claims 2-16 and 18-31 are allowable for at least the same reason as their respective base claims. Reconsideration and allowance are respectfully requested.

Respectfully submitted,

James A. Leiz
Registration No. 46,109
Attorney for Applicants
Fish & Neave IP Group
Ropes & Gray LLP
Customer No. 1473
1251 Avenue of the Americas
New York, New York 10020-1105
Tel.: (212) 596-9000
Fax : (212) 596-9090